



DEPARTMENT OF THE ARMY
ADMINISTRATIVE ASSISTANT TO THE SECRETARY
105 ARMY PENTAGON
WASHINGTON DC 20310-0105



JUN 20 2003

MEMORANDUM FOR PRINCIPAL OFFICIALS OF HEADQUARTERS,
DEPARTMENT OF THE ARMY

SUBJECT: Fiscal Year (FY) 2003 Award Delegation of Authority, Policy and Guidance

1. This memorandum provides delegation of authority to approve awards and FY 2003 award policy and guidance for your employees. More detailed guidance on processing awards is in AR 672-20.
2. A five percent of base salary cash award ceiling for your on board strength will be calculated by your organization for all GM/GS, and WG employees (Senior Executive Service employees will not be included). This ceiling only represents how much you can spend if you have the funds. Before awards are approved, you must verify that adequate **funding is available** for payment and that you are within your ceiling.
3. Monetary and Time Off Awards are electronically submitted directly to the Civilian Personnel Operations Center (CPOC) located in Aberdeen, Maryland, by managers and supervisors creating a Request for Personnel Action (RPA) through the Modern system.
4. In addition to monetary and Time Off Awards, there are numerous honorary awards that should be considered for employee recognition.
5. To help you make the best use of the awards program the following policy is provided:
 - a. Principal Officials are authorized to approve the following:
 - (1). The Superior Civilian Service Award and below.
 - (2). Special Act or Service awards up to \$10,000.
 - (3). Performance awards up to 10 percent of an employee's basic pay.
(Performance awards may be computed on locality pay; however, the total amount of the award cannot exceed 10 percent of basic pay.)
 - b. Principal Officials may redelegate cash award approval authority up to \$5,000 to a lower level; however, awards must be approved at a higher level than the nominating official and redelegations should be to a level at which authority lies for personnel management actions and effective control can be exercised. Delegations will be in

writing and a copy must be sent to the Incentive Awards Administrator in the Human Resource Management Directorate, Labor Management and Employee Relations Division (HRMD/LM&ERD), before processing awards.

c. Awards exceeding the Principal Official's approval authority must be submitted through the HRMD/LM&ERD, for review by the Incentive Awards Review Committee. (See AR 672-20, Chapters 4 & 5 for additional guidance.)

d. GM/GS employees may be considered for Performance awards, Quality Step Increases (QSIs), and Special Act or Service awards. Wage employees may be considered for Performance awards and Special Act or Service awards. Documentation for performance related awards consist of:

(1). One copy of a current Evaluation Report, DA Form 7222/7223 (within 30 days of approval date) of Successful Level 1, 2, or 3.

(2). One copy of DA Form 7222-1 (Senior System Support Form), or DA Form 7223-1 (Base System Counseling Checklist/Record).

(3). Two copies of page 1 of DA Form 7222/7223 with Part III completed, to include an **original** signature of the Senior Rater/award approver in the award approved block.

e. Submit annual evaluations and performance award documentation to the Incentive Awards Administrator in HRMD/LM&ERD as soon as practical after the end of the rating period, but at least within 45 days. Submit Special Act or Service awards within 30 days after the act to be recognized. Failure to timely submit an employee's annual rating/award documentation could make an otherwise eligible employee ineligible for monetary recognition.

f. Employees should never be informed that they are under consideration for or have been nominated for any award until after the approval process has been completed. Awards are not considered finally approved until reviewed for regulatory compliance by the Incentive Awards Administrator in HRMD.

g. Managers and supervisors are to make sure that they know when performance evaluations are due, and that they complete all evaluation and award documentation on time. The annual evaluation period for employees in grades 9-12 ends on 31 October and employees in grades 13 and above ends on 30 June. All other employee ratings are due on a predetermined date based on grade. Agency administrative contacts can answer questions about rating/evaluation due dates.

h. Count awards received for processing since 1 October 2002 and paid from FY 2003 funds against your ceiling.

i. Generally, within the same organizational element, employees with higher ratings should receive larger dollar amounts than employees at the same grade level who have lesser ratings.

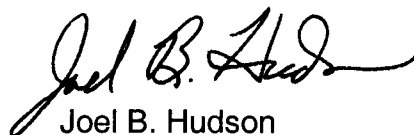
j. Agency totals should include Field Operating Agency (FOA) ceilings. Each parent organization must ensure that the award policy and ceilings are provided to the FOAs in a timely manner.

k. Specific one-time achievements may be recognized using Special Act or Service awards.

l. When a QSI is awarded, the dollar amount payable in one year will be the amount charged against your ceiling. (QSIs impact future years' expenditures and, therefore, should be given with discretion). Effective date of a QSI is determined by the CPOC.

6. Please ensure that all cash award nominations using FY 2003 funds are processed promptly and that managers and supervisors follow the guidance of this memorandum. All awards to be paid out of FY 2003 funds are to be received by the HRMD/LM&ERD no later than 15 August 2003. This deadline is necessary during a time of an extremely heavy workload to allow for review by the Incentive Awards Administrator prior to organizations releasing an award RPA to the CPOC for processing to payroll for payment.

7. Questions concerning your ceiling or the awards program should be referred to your servicing Incentive Awards Administrator, who is responsible for assuring compliance with regulatory requirements.



Joel B. Hudson